



**STATE OF HAWAII**  
**DEPARTMENT OF TRANSPORTATION**  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA  
DIRECTOR

Deputy Directors  
MICHAEL D. FORMBY  
FRANCIS PAUL KEENO  
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IN REPLY REFER TO:

Board of Land and  
Natural Resources  
State of Hawaii  
Honolulu, Hawaii

CONSENT TO ASSIGNMENT OF STATE LEASE NO. DOT-A-06-0011  
MOKULELE FLIGHT SERVICE, INC. TO REPUBLIC AIRWAYS HOLDINGS, INC.  
HONOLULU INTERNATIONAL AIRPORT

OAHU

REQUEST:

Consent to Assignment of State Lease No. DOT-A-06-0011 from Mokulele Flight Service, Inc., as Lessee/Assignor, to Republic Airways Holdings, Inc., as Assignee, South Ramp, Honolulu International Airport

LEGAL REFERENCE:

Subsection 171-36(a) (5) (b), Hawaii Revised Statutes, as amended

APPLICANTS:

LESSEE/ASSIGNOR: Mokulele Flight Service, Inc., a Hawaii corporation, having a mailing address at 1100 Alakea Street, Suite 1400, Honolulu, Hawaii 96813

ASSIGNEE: Republic Airways Holdings, Inc. a Delaware corporation, having a mailing address at 8909 Purdue Road, Suite 300, Indianapolis, Indiana 46268

AREA:

Area/Space No. 009-165, containing a land area of approximately 25,912 square feet, as shown on the attached Exhibit A

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Honolulu, Island of Oahu, identified by Tax Map Key: 1<sup>st</sup> Division, 1-1-72:38

ZONING:

State Land Use District:	Urban District
City and County of Honolulu:	Industrial (I-2)

LAND TITLE STATUS:

Section 5(a) lands ("non-ceded" lands) of the Hawaii Admission Act  
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES \_\_\_ NO X

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 3201, setting aside a portion of Honolulu International Airport under the control and management of the Department of Transportation, Airports Division, State of Hawaii, for airport purposes.

CHARACTER OF USE:

Development, construction, operation, and maintenance of a hangar facility

TERM OF LEASE:

Twenty-five (25) years, commencing on February 20, 2007, and terminating on February 19, 2032.

ANNUAL GROUND LEASE RENTAL:

First Five (5) Years (Lease Years 1 through 5): \$80,845.44 per annum, payable in quarterly installments of \$20,211.36, in advance, and based upon: (a) present ground lease rental rate of \$3.12 per square foot per annum for improved, paved prime aeronautical land at Honolulu International Airport.

Second Five (5) Years (Lease Years 6 through 10): \$92,972.26 per annum, payable in quarterly installments of \$23,243.07, in advance, based upon the product of the annual rental for the fifty (5<sup>th</sup>) year of the lease term (\$80,845.44) and 115%.

REOPENING OF ANNUAL GROUND LEASE RENTAL:

Remaining Three, Five (5)-Year Rent Reopening Periods: The reopening annual ground lease rental for the remaining three, five (5)-year rent reopening periods shall be no greater than a rate of 115% times the rate of the last year of the preceding five (5)-year period, provided however, that should the fair market rental as determined by an independent appraiser whose services shall be contracted for and paid by the Department of Transportation at the time of reopening determine a ground rate less than the 115%, then the ground rate for the reopening five (5)-year period shall be the rate determined by the independent appraiser.

CONSIDERATION:

\$1,832,000.00

RECOMMENDED PREMIUM:

To be determined

DCCA VERIFICATION:

LESSEE/ASSIGNOR:

Place of business registration confirmed:	YES <u>X</u>	NO _____
Registered business name confirmed:	YES <u>X</u>	NO _____
Good standing confirmed:	YES <u>X</u>	NO _____

ASSIGNEE:

Place of business registration confirmed:	YES <u>X</u>	NO _____
Registered business name confirmed:	YES <u>X</u>	NO _____
Good standing confirmed:	YES <u>X</u>	NO _____

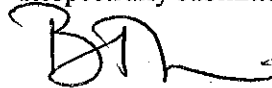
REMARKS:

The Department of Transportation Airports Division has no objects to this assignment of lease request.

RECOMMENDATION:

That the Board approves of and gives its consent to the Assignment of Lease No. DOT-A-06-0011 as herein outlined, subject to: (1) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State, and (2) review and approval of the Department of the Attorney General as to the form and content of the Lessor's Consent to the Assignment of Lease No. DOT-A-06-0011.

Respectfully submitted,

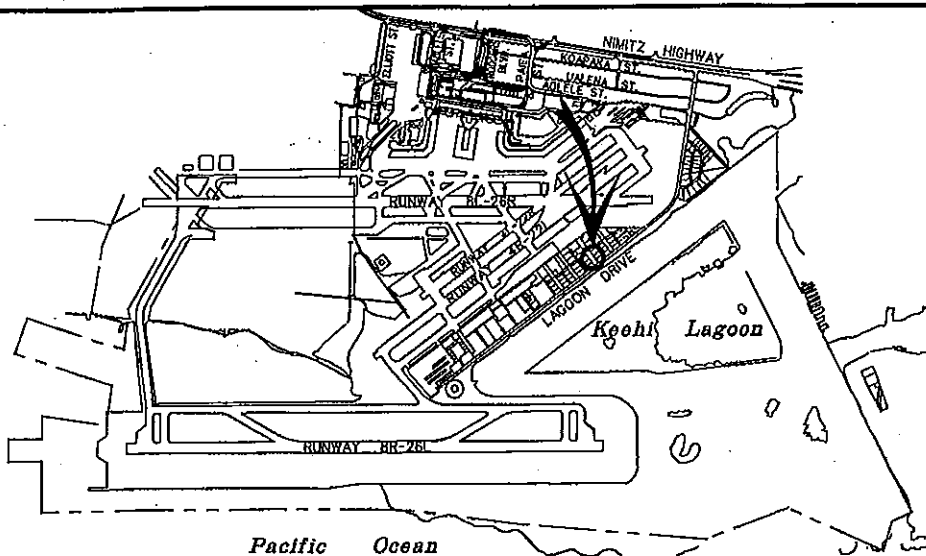


BRENNON T. MORIOKA, Ph.D., P.E.  
Director of Transportation

APPROVED FOR SUBMITTAL:

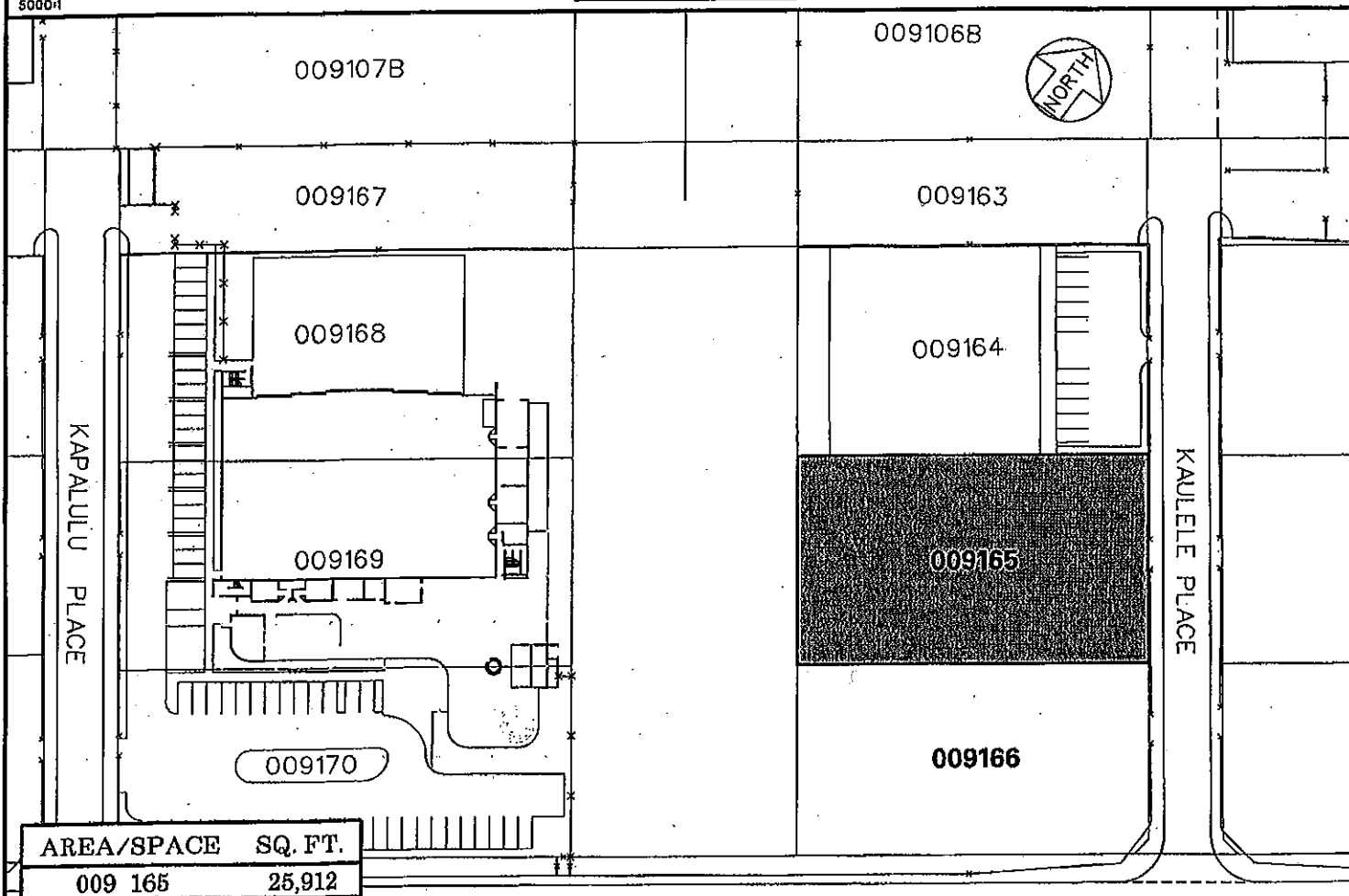


LAURA H. THIELEN  
Chairperson and Member



**LOCATION PLAN**

5000H



SCALE: 1"=100'

DATE: JANUARY 2006

EXHIBIT: A



Airports Division

Mokulele Flight Service, Inc.

LOTS  
SOUTH RAMP

009165

PLAT 36

**HONOLULU INTERNATIONAL AIRPORT**

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